

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018
847 318-7575



February 10, 1997

RECORDATION NO. 20586 FILED 1425

MARK 19-1997 72,275 PM

Surface Transportation Board
Attn: Jan Fort
1201 Constitution Ave., N.W.
Room 2311
Washington, D.C. 20423-0001

Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301 (a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated January 27, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

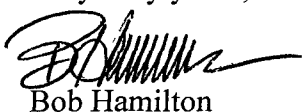
Lessor:	First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018
Lessee:	Chicago Shortline Railway Co. 9746 Avenue N Chicago, Illinois 60617

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A attached to each Memorandum.

Also enclosed is a check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee for this filing.

Kindly return one (1) stamped original of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Bob Hamilton".

Bob Hamilton
Director-Documentation

RECORDATION NO. 20586 FILED 1425
JAN 19 1997 12:25 PM

Memorandum of Lease

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 27th day of January, 1997, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Chicago Shortline Railway Co. ("Lessee").

W I T N E S S E T H:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of January 27, 1997, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: John J. Thomas
Name: John J. Thomas
Title: President

By: Michelle Berg
Name: Michelle Berg
Title: Office Manager

[CORPORATE SEAL]

Executed on this 5th day of February 1997.

LESSEE:

CHICAGO SHORTLINE RAILWAY CO.

ATTEST:

By: [Signature]
Name: G. T. PURGERT

By: [Signature]
Name: J. ZUCHELLI

Title: Supt.

Title: ASST. Secy. & ASST. TREAS.

Executed on this 30TH day of JANUARY, 1997.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SHARON M. ESQUIVEL, a Notary Public in and for said state and county, certify that G. J. PURGERT personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

WITNESS my hand and official stamp or seal, this 30TH day of JANUARY, 1997.

Sharon M. Esquivel
Notary Public

My Commission Expires:

12/21/00
(Notary Public)



STATE OF Illinois

COUNTY OF Cook

I, Michelle Berg, a Notary Public in and for said state and county, certify that John J. Thomas personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 5th day of February, 1997.

Michelle Berg
Notary Public

My Commission Expires:

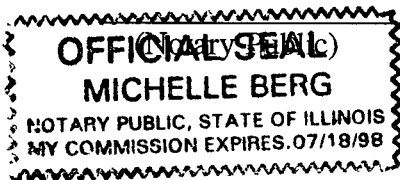


EXHIBIT A
to
Memorandum of Lease

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